

Message Text

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PAGE 01 GENEVA 06211 251240Z
ACTION EB-08

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05
SS-15 STR-04 ITC-01 TRSE-00 PRS-01 SP-02 FEAE-00
OMB-01 USIE-00 SSO-00 NSCE-00 INRE-00 AF-10
ARA-10 EA-07 NEA-10 OIC-02 /134 W
-----064857 251245Z /40

O P 251134Z JUL 77
FM USMISSION GENEVA
TO SECSTATE WASHDC IMMEDIATE 9614
INFO AMEMBASSY BRUSSELS PRIORITY
AMEMBASSY LONDON PRIORITY

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USEEC

FOR ASST SEC KATZ; DEPT PLS PASS TO STR ELECTRONICALLY FOR AMB
STRAUSS; ALSO FOR DOC ASST SEC WEIL AND DOL DEP ASSOC UNDER-
SEC BLACKMAN

E.O. 11652: N/A
TAGS: ETRD
SUBJ: TEXTILES -- MFA RENEWAL

FOLLOWING IS TEXT OF PAPER CIRCULATED AT U.S. REQUEST (COM/
TEX/W.44) WHICH WILL SERVE AS BASIS FOR RENEWAL OF MFA: BEGIN TEXT.

PAPER CIRCULATED AT THE REQUEST OF THE UNITED STATES

1. THE PARTICIPANTS IN THE ARRANGEMENT EXCHANGED VIEWS REGARDING THE
FUTURE OF THE MFA.

2. IT IS CLEAR FROM THE ANNUAL AND MAJOR REVIEWS OF THE MFA UNDER-
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PAGE 02 GENEVA 06211 251240Z

TAKEN BY THE TEXTILES COMMITTEE THAT CERTAIN IMPORTING AND SEVERAL
EXPORTING COUNTRIES HAVE ENCOUNTERED PRACTICAL DIFFICULTIES
IN THE IMPLEMENTATION OF THE PROVISIONS OF THE MFA. DISCUSSIONS
IN THIS RESPECT COVERED A WIDE RANGE OF AREAS OF SATISFACTION AS
WELL AS DISSATISFACTION. THESE DIFFICULTIES, SOME OF WHICH ARE OF
A LONG STANDING NATURE, AFFECT SERIOUSLY THE TRADE AND ECONOMIC
DEVELOPMENT OF DEVELOPING COUNTRIES.

3. MEMBERS OF THE TEXTILES COMMITTEE RECOGNIZED THAT THERE CONTINUED TO BE A TENDENCY FOR AN UNSATISFACTORY SITUATION TO EXIST IN WORLD TRADE IN TEXTILE PRODUCTS, AND THAT SUCH A SITUATION, IF NOT SATISFACTORILY DEALT WITH, COULD WORK TO THE DETRIMENT OF COUNTRIES PARTICIPATING IN INTERNATIONAL TRADE IN TEXTILE PRODUCTS, WHETHER AS IMPORTERS OR EXPORTERS OR BOTH. IT COULD ADVERSELY AFFECT PROSPECTS FOR INTERNATIONAL CO-OPERATION IN THE TRADE FIELD AND COULD HAVE UNFORTUNATE REPERCUSSIONS ON TRADE RELATIONS IN GENERAL, AND THE TRADE OF DEVELOPING COUNTRIES IN PARTICULAR.

4. SOME PARTICIPATING COUNTRIES, IMPORTING AS WELL AS EXPORTING, FELT THAT THERE WAS A NEED FOR MODIFICATIONS TO BE MADE TO THE TEXT OF THE MFA. OTHERS WERE OF THE OPINION THAT ANY DIFFICULTIES THAT MAY HAVE ARISEN WERE DUE TO PROBLEMS OF IMPLEMENTATION, AND THAT THE PROVISIONS OF THE MFA ARE ADEQUATE TO DEAL WITH SUCH DIFFICULTIES. IT WAS AGREED THAT ANY SERIOUS PROBLEMS OF TEXTILE TRADE SHOULD BE RESOLVED THROUGH CONSULTATIONS AND NEGOTIATIONS.

5. AS REGARDS WHAT WAS DESCRIBED BY ONE MAJOR I.P. IN ITS STATEMENT TO THIS COMMITTEE AS ITS PRESSING IMPORT PROBLEMS, THE T.C. RECOGNIZED THAT SUCH PROBLEMS SHOULD BE RESOLVED BILATERALLY UNDER THE PROVISIONS OF ARTICLE 4 OR 3(3) AND 3(4).

THE COMMITTEE NOTED ON MAJOR IMPORTING PARTICIPANT'S STATEMENT LIMITED OFFICIAL USE

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PAGE 03 GENEVA 06211 251240Z

CONCERNING THE BASIS UPON WHICH IT INTENDED TO ACHIEVE ITS STATED OBJECTIVES BY BILATERAL CONSULTATIONS AND NEGOTIATIONS AND NOTED THE EXPRESSION OF GOODWILL AND FLEXIBILITY MADE BY CERTAIN EXPORTING PARTICIPANTS NOW PREDOMINANT IN THE EXPORTING OF TEXTILE PRODUCTS OF ALL THE THREE FIBRES COVERED BY THE ARRANGEMENT.

THE COMMITTEE AGREED THAT WITHIN THE FRAMEWORK OF THE MFA ANY SUCH CONSULTATIONS AND NEGOTIATIONS SHOULD BE CONDUCTED IN A SPIRIT OF EQUITY AND FLEXIBILITY WITH A VIEW TO REACHING A MUTUALLY ACCEPTABLE SOLUTION UNDER ARTICLE 4.3 OR ARTICLE 3 PARAS 3 AND 4, WHICH DOES INCLUDE THE POSSIBILITY OF JOINTLY AGREED REASONABLE DEPARTURES FROM PARTICULAR ELEMENTS IN PARTICULAR CASES.

THE COMMITTEE ALSO URGED ALL PARTICIPANTS CONCERNED TO MOVE PROMPTLY TO NEGOTIATE MUTUALLY ACCEPTABLE SOLUTIONS IN THE SPIRIT OF THE MFA.

THE COMMITTEE AFFIRMED THAT IN SEEKING SUCH SOLUTIONS THE INTEREST OF THE DEVELOPING COUNTRIES, NEW ENTRANTS, AND SMALL SUPPLIERS SHALL BE RECOGNIZED.

6. THE COMMITTEE RECOGNIZED THAT COUNTRIES HAVING SMALL MARKETS, AN EXCEPTIONALLY HIGH LEVEL OF IMPORTS AND A CORRESPONDINGLY LOW LEVEL

OF DOMESTIC PRODUCTION ARE PARTICULARLY EXPOSED TO THE TRADE PROBLEMS MENTIONED IN THE PRECEDING PARAS, AND THAT THEIR PROBLEMS SHOULD BE RESOLVED IN A SPIRIT OF EQUITY AND FLEXIBILITY. IN THE CASE OF THOSE COUNTRIES, THE PROVISIONS OF ARTICLE 1:2 SHOULD BE FULLY IMPLEMENTED.

7. IT WAS REITERATED THAT IN THE FUTURE IMPLEMENTATION OF THE MFA, THE SPECIAL PROBLEMS OF DEVELOPING COUNTRIES SHALL BE FULLY TAKEN INTO ACCOUNT IN A MANNER CONSISTENT WITH THE PROVISIONS OF THE MFA, IN PARTICULAR ARTICLES 1(3) AND 6 THEREOF.

8. ALL PARTICIPANTS SAW MUTUAL COOPERATION AS THE FOUNDATION OF THE ARRANGEMENT AND AS THE BASIS FOR DEALING WITH PROBLEMS IN A WAY WHICH WOULD PROMOTE THE OBJECTIVES AND AIMS OF THE MFA.
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PAGE 04 GENEVA 06211 251240Z

PARTICIPANTS EMPHASIZED THAT THE PRIMARY AIMS OF THE MFA ARE TO ENSURE THE EXPANSION OF TRADE IN TEXTILE PRODUCTS PARTICULARLY FOR THE DEVELOPING COUNTRIES, AND PROGRESSIVELY TO ACHIEVE THE REDUCTION OF TRADE BARRIERS AND THE LIBERALIZATION OF WORLD TRADE IN TEXTILE PRODUCTS WHILE, AT THE SAME TIME, AVOIDING DISRUPTIVE EFFECTS ON INDIVIDUAL MARKETS AND ON INDIVIDUAL LINES OF PRODUCTION IN BOTH IMPORTING AND EXPORTING COUNTRIES.

IN THIS CONTEXT, IT WAS FELT THAT IN ORDER TO ENSURE THE PROPER FUNCTIONING OF THE MFA, ALL PARTICIPANTS WOULD REFRAIN FROM TAKING MEASURES ON TEXTILES COVERED BY THE MFA OUTSIDE THE PROVISIONS THEREIN BEFORE EXHAUSTING ALL THE RELIEF MEASURES PROVIDED IN THE MFA.

9. TAKING INTO ACCOUNT THE EVOLUTIONARY AND CYCLICAL NATURE OF TRADE IN TEXTILES AND THE IMPORTANCE TO BOTH IMPORTING AND EXPORTING

COUNTRIES OF PRIOR RESOLUTION OF PROBLEMS IN A CONSTRUCTIVE AND EQUITABLE MANNER FOR THE INTEREST OF ALL CONCERNED, AND ON THE BASIS OF THE ELEMENTS MENTIONED IN PARAS 1 THROUGH 8 ABOVE, THE TC CONSIDERED THAT THE MFA IN ITS PRESENT FORM SHOULD BE EXTENDED FOR A PERIOD OF FOUR YEARS SUBJECT TO CONFIRMATION BY SIGNATURE AS FROM 15 DEC 1977 OF A PROTOCOL FOR THIS PURPOSE. END TEXT
VANDEN HEUVEL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, DOCUMENTS, TEXT
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Copy: SINGLE
Sent Date: 25-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Format: TEL
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1762922
Secure: OPEN
Status: NATIVE
Subject: TEXTILES -- MFA RENEWAL FOLLOWING IS TEXT OF PAPER CIRCULATED AT U.S. REQUEST (COM/ TEX/W.44) WHICH WILL SERVE AS BASIS FOR RENEWAL OF
TAGS: ETRD, US
To: STATE
Type: TE
vdkgvkey: odbcr//SAS/SAS.dbo.SAS_Docs/4cd38264-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
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